

Number: 48505989-TİM.İMMİB.23.MCHVR.2021/129-5190 Istanbul, 30/04/2021 **Subject:** Proposed Action in Section 301 Investigation of Turkey's Digital Services Tax

(USTR-2021-0006)

Section 301 Committee Office of the U.S. Trade Representative 600 17th Street, NW Washington, DC 20508

Comments of the Jewellery Exporters' Association in Response to Request for Public Comments: Proposed Action in Section 301 Investigation of Turkey's Digital Services Tax (Docket No. USTR-2021-0006)

To the Members of the Section 301 Committee:

The Jewellery Exporters' Association ("JTR") is a non-profit association founded in July 2003 as part of Istanbul Mineral and Metals Exporters' Association (IMMIB) and that seeks to foster Turkish jewelry exports around the world. Our more than 1,000 member companies work to promote global trade in jewelry products. We write in opposition to the imposition of tariffs on Turkish jewelry in the above-referenced dispute.¹

Merchants in Lydia pioneered the use of gold coins as a medium of exchange, and Turkey remains one of the world's largest official coin fabricators. Traditional Turkish jewelry has been developed over millennia, from ancient Lydia to the Hellenistic era, all the way through the Byzantine and Ottoman empires. Our tradition of jewelry-making is passed down through masters and apprentices, working side by side, which preserves our unique quality. Turkish jewelers span a diverse range of ethnicities, including Armenian, Jewish, Assyrian, and Arabic peoples. These cultures come together in Turkey's historic bazaars to support the local and global marketplace.

Turkish jewelry is without substitute or compare. We work with a wide range of U.S. business partners, including large jewelry stores and major department and superstores but also nearly 30,000 small, family owned retailers across the United States. The proposed tariffs will be borne by our U.S. partners -- who rely on the quality and unique features only we can provide -- and by U.S. consumers. Put simply, there is no country in the world that can satisfy the

Jewellery Exporters'Association

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¹ HTS subheadings 7113.11.20, 7113.11.50, 7113.19.25, 7113.19.30, 7113.19.50, 7113.20.29, 7113.20.50, 7116.20.05, 7117.19.90, and 7117.90.90.



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demand for quality Turkish jewelry, and U.S. consumers that seek our unique, handcrafted, historical goods will be forced to pay more as a result.

Turkey is the eighth largest exporter of jewelry to the United States. There is no U.S. market that stands to gain from the proposed new tariffs. If the new import duties were to be imposed, our U.S. partners, including tens of thousands of small- and medium-sized jewelers located across the country, would be forced to increase their prices as a result. Our principal competitor in the United States is Italy, but any tariffs seem likely principally to benefit cheaper, lower quality competition, such as products from China.

Thank you for your consideration of our comments. We hope you will take into account the concerns raised by our U.S. business partners and decline to impose tariffs on Turkish jewelry as part of this dispute.

Sincerely,

Muharrem KAYILI Deputy Secretary General

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